

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

)	
Boston Edison Company,)	
Cambridge Electric Light Company,)	D.T.E. 00-____
and)	
Commonwealth Electric Company)	
)	

AFFIDAVIT OF ROBERT H. MARTIN

Robert H. Martin, being duly sworn, deposes and says as follows:

1. I am the Director, Electric Energy Supply, Asset Divestiture and Outsourcing for NSTAR Services Company. In this capacity, I am responsible for coordinating the divestiture of the generating assets and entitlements and the procurement of supplies for Standard Offer and Default Service for Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company (collectively, "NSTAR Electric").
2. I am a graduate of Bentley College with a Bachelor of Science Degree in Accounting. Upon graduation in 1974, I joined Commonwealth Energy System's Service Corporation where I held several accounting positions, including Group Accounting Supervisor. In 1984, I accepted the position of Supervisor of Cost Administration. In 1987, I was promoted to Manager of Revenue Requirements and Cost Administration. In 1997, I became the Manager of Regulatory Accounting and Special Projects for Cambridge, Commonwealth, Commonwealth Gas Company and Canal Electric Company. In 1999, I became the Director of Revenue Requirements for the regulated companies of NSTAR Services Company. I assumed my present position in May 2000.
3. As Director, Electric Energy Supply, Asset Divestiture and Outsourcing, I am responsible for securing a least-cost energy supply and for mitigating the cost incurred under existing above-market power purchase agreements ("PPAs"). My responsibilities currently include coordinating the sale of NSTAR's PPAs and securing a supply for standard offer, default service and wholesale energy customers.
4. Since the implementation of electric industry restructuring in March 1998, NSTAR Electric has been responsible for supplying retail customers with Standard Offer and Default Service. On September 6, 2000, NSTAR Electric

issued a Request for Proposals for competitive bids for Default Service for the period January 2001 through March 2001. Final binding bids were due on October 8, 2000.

5. Appendix B to NSTAR Electric's November 9th Default Service filing includes the results of the solicitation for Default Service supply and supporting documentation, including various cost and procurement information that is confidential, competitively sensitive and proprietary. NSTAR Electric requested that the information contained in Appendix B be protected from public disclosure.
6. The cost and procurement information in Appendix B contains confidential, competitively sensitive and proprietary information including market prices for Default Service offered to NSTAR Electric, along with detailed calculations used to derive these market prices. In addition, specific contract and pricing terms are included in Appendix B.
7. This information should be protected from public disclosure to protect NSTAR Electric's future negotiating position when seeking to procure Default Service for its customers. Disclosure of such information would inhibit the ability of NSTAR Electric to minimize the price paid for Default Service by its customers in the future because wholesale suppliers of electricity maintain such information as proprietary. If bidders believe that the prices and terms of their bids will become publicly available, they will be reluctant both to submit proposals and to bid the lowest price possible.
8. Furthermore, in its RFP, NSTAR Electric indicated that it would treat all bid information as confidential and in their bids, suppliers requested such confidential treatment. Suppliers require confidential treatment to provide NSTAR Electric with the lowest possible price without compromising their bids to other electric companies who are also soliciting electricity for their customers.
9. Disclosure of such information could be detrimental to NSTAR Electric's customers who stand to benefit from NSTAR Electric's ability to minimize the price paid for Default Service power. Based on my experience and on communications with power suppliers, if power suppliers know that the prices they bid will be publicly disclosed, they will either not bid at all or they will add a premium on to the prices bid because other electric companies will gain access to the negotiated lowest bid offered by the supplier in other negotiated circumstances.

Signed under the pains and penalties of perjury this 9th day of November 2000.

Robert H. Martin